

## Message Text

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INFO OCT-01 SS-20 EB-05 ISO-00 EA-07 NSC-04 NSCE-00 RSC-01

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DRAFTED BY: COM/BEWT/PRC: DDENNY-GMETSON

APPROVED BY: EB/OCA/REP: LHPOMEROY

COM/BEWT/PRC: WWCLARKE

COM/BEWT/OEWD: PSKRAMARIC

STATE/EA/PRC: CFREEMAN(SUBS)

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R 141943Z FEB 74

FM SECSTATE WASHDC

TO USLO PEKING

INFO AMCONSUL HONG KONG

UNCLAS STATE 030316

FROM COMMERCE

EO11652 NA

TAGS: CH, ETRD

SUBJ: U S TRADE FIGURES FOR 1972, 1973 AND 1974

REF: STATE 18634

1. 1972 TRADE: FINAL REVISIONS OF US-PRC TRADE FOR 1972 HAVE INCREASED THE TOTAL OF U S EXPORTS FROM 60.2 MILLION DOLLARS TO 63.5 MILLION DOLLARS. PRC EXPORTS TO THE U S WERE REVISED TO 32.4 MILLION DOLLARS. THUS ACCORDING TO U.S. CENSUS FIGURES REVISED TOTAL TWO-WAY TRADE IN 1972 IS \$95.9 MILLION.

2. 1973 TRADE: U S CENSUS FIGURES SHOW TOTAL TRADE OF \$753.1 MILLION (\$689.1 MILLION U.S. EXPORTS, \$64 MILLION U.S. IMPORTS). (REFTEL)  
(A) U S EXPORT STATISTICS ARE REPORTED IN TWO DIFFERENT WAYS. THE PUBLICATION FT 990 HIGHLIGHTS OF UNCLASSIFIED  
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EXPORTS AND IMPORTS USES A DEFINITION OF EXPORT OF DOMESTIC AND FOREIGN MERCHANDISE. FOREIGN MERCHANDISE

REFERS TO IMPORTS INTO THE U.S. THAT ARE SUBSEQUENTLY REEXPORTED WITHOUT SIGNIFICANT CHANGES. FOR 1973 BY THIS DEFINITION, U.S. EXPORTS TOTALLED \$689.6 MILLION. FT 455 U.S. FOREIGN TRADE: EXPORTS, WORLD AREAS BY COMMODITY GROUPINGS, INCLUDES ONLY U.S. EXPORTS OF DOMESTIC MERCHANDISE (INCLUDING EXPORTS OF GOODS ORIGINALLY IMPORTED BUT SUBSTANTIALLY CHANGED BEFORE REEXPORT). FOR 1973, THIS FIGURE WAS \$689.1 MILLION (SEE ABOVE).

(B) THE \$689.1 MILION EXPORT FIGURE REFLECTS PRELIMINARY REVISION OF JANUARY-NOVEMBER DATA TO INCLUDE EXPORTS OF \$33.1 MILLION WORTH OF COTTON WHICH WAS ORIGINALLY INCORRECTLY DECLARED AS DESTINATION JAPAN. THIS COTTON WAS EARLIER ESTIMATED AT \$38.8 MILLION (REFTEL) BUT HAS BEEN REVISED DOWNWARD OWING TO PRICE CHANGES.

(C) FINAL REVISIONS OF ANNUAL DATA BECOME AVAILABLE IN JUNE OF FOLLOWING YEAR. NORMALLY REVISIONS ARE SMALL, BUT OCCASIONALLY THEY CAN BE SIGNIFICANT AS FOR PRC IN 1972.

(D) SUBSTANTIAL AMOUNTS OF U.S. GRAIN AND SOYBEANS ARE TRANSSHIPPED THROUGH CANADA. SINCE FINAL DESTINATION IS UNKNOWN WHEN IT LEAVES THE U.S. IT IS LISTED IN US FIGURES AS GOING TO "UNIDENTIFIED" DESTINATIONS. FINAL FIGURES ARE NOT YET AVAILABLE FOR JULY-DECEMBER BUT EARLY INDICATIONS ARE THAT \$30 MILLION OR MORE WENT TO THE PRC. U.S. CENSUS DATA WILL NOT BE ADJUSTED TO SHOW THESE SHIPMENTS AND THESE FIGURES SHOULD NOT BE INCLUDED IN THE U.S. EXPORT STATISTICS WITHOUT AN EXPLANATION.

3. 1974 TRADE: IN ARTICLE IN COMMERCE TODAY, WE ESTIMATE THAT U.S. EXPORTS TO THE PRC IN 1974 WOULD AMOUNT TO ABOUT \$1.15 BILLION. THIS FIGURE IS BASED ON WHAT WE REGARD AS CONSERVATIVE ESTIMATES OF QUANTITIES AND PRICES:

(A) AGRICULTURAL PRODUCTS (BASED ON KNOWN CONTRACTS)

|              | METRIC TONS | VALUE (\$MILLION) |
|--------------|-------------|-------------------|
| WHEAT        | 2 MILLION   | \$250             |
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|          |                         |       |
|----------|-------------------------|-------|
| CORN     | 2 MILLION               | 200   |
| SOYBEANS | 665,000                 | 140   |
| COTTON   | 1 MILLION RUNNING BALES | 200   |
|          |                         | \$790 |

(B) NON-AGRICULTURAL PRODUCTS. TAKING INTO ACCOUNT THE BOEING AND KELLOGG DEALS IN ADDITION TO HOST OF SMALL DEALS, A FIGURE OF \$200 MILLION ALSO SEEMS REASONABLE;

(C) THE ADDITIONAL AMOUNT (ABOUT \$150 MILLION) AT THIS POINT SEEMS LIKE A CONSERVATIVE 'ADD ON' IN VIEW OF CHANCES FOR: ADDITIONAL CONTRACTS FOR BOTH INDUSTRIAL AND AGRICULTURAL

PRODUCTS AS WELL AS POSSIBLE HIGHER PRICES FOR AGRICULTURAL PRODUCTS;

(D) THE HIGHER EXPORT FIGURES IN NOVEMBER AND DECEMBER, MAKE \$100 MILLION EXPORTS TO U.S. AN ATTAINABLE FIGURE. THUS, AT PRESENT WE ARE USING \$1.25 BILLION AS ESTIMATE OF TOTAL TRADE TURNOVER.  
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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** COTTON, IMPORTS, EXPORTS, TRADE DATA, GRAINS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 14 FEB 1974  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Authority:** n/a  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
**Disposition Date:** 01 JAN 1960  
**Disposition Event:**  
**Disposition History:** n/a  
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**Drafter:** GMETSON  
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**Previous Classification:** n/a  
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